

# HOUSE BILL No. 1277

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 27-8-31.4; IC 27-13-38-7.

**Synopsis:** Prescription synchronization. Requires that a health insurance policy and a health maintenance organization contract that provide coverage for prescription medications must use a daily cost sharing rate and provide for synchronized refill schedule coordination for chronic prescription medications.

**Effective:** July 1, 2016.

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January 12, 2016, read first time and referred to Committee on Insurance.

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Second Regular Session of the 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

## HOUSE BILL No. 1277

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 27-8-31.4 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2016]:

4 **Chapter 31.4. Synchronized Medication Dispensing**

5 **Sec. 1. As used in this chapter, "covered individual" means an**  
6 **individual who is entitled to coverage under a policy of accident**  
7 **and sickness insurance.**

8 **Sec. 2. As used in this chapter, "daily cost sharing rate" means**  
9 **the covered individual's copayment for a monthly supply of a**  
10 **medication divided by the daily supply of the particular**  
11 **medication.**

12 **Sec. 3. As used in this chapter, "policy of accident and sickness**  
13 **insurance" has the meaning set forth in IC 27-8-5-1. The term**  
14 **includes only a policy that:**

- 15 (1) is issued on an individual or a group basis; and  
16 (2) provides coverage for prescription medications.

17 **Sec. 4. As used in this chapter, "synchronize" means to use a**



pharmacy dispensing process through which a particular medication may be dispensed to an individual in a quantity less than a thirty (30) day supply as a means of coordinating the individual's refill schedule such that all of the individual's medications are refilled at the same time.

**Sec. 5.** A policy of accident and sickness insurance must provide for the daily cost sharing rate for a medication that is dispensed:

(1) by a pharmacy that has entered into an agreement with the insurer under IC 27-8-11-3; and

(2) in a quantity less than a thirty (30) day supply;

if the provider that prescribes the medication, or the pharmacist dispensing the medication, determines that dispensing the medication in the quantity described in subdivision (2) is needed to synchronize the covered individual's medications for chronic conditions.

**Sec. 6.** A policy of accident and sickness insurance must provide coverage for a medication that is dispensed in a quantity less than a thirty (30) day supply in accordance with a plan made among the covered individual, the prescribing provider, and the pharmacy to synchronize the covered individual's medications for chronic conditions.

**Sec. 7.** A policy of accident and sickness insurance must provide coverage for dispensing fees that is:

(1) not prorated based on the quantity of a medication dispensed; and

(2) based on the total number of prescriptions dispensed; in a particular transaction.

SECTION 2. IC 27-13-38-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 7. (a)** This section applies to an individual contract or a group contract that provides coverage for prescription medications.

(b) As used in this section, "daily cost sharing rate" means the enrollee's copayment for a monthly supply of a medication divided by the daily supply of the particular medication.

(c) As used in this section, "synchronize" means to use a pharmacy dispensing process through which a particular medication may be dispensed to an individual in a quantity less than a thirty (30) day supply as a means of coordinating the individual's refill schedule such that all of the individual's medications are refilled at the same time.

(d) An individual contract or a group contract must provide for



1 the daily cost sharing rate for a medication that is dispensed:

2 (1) by a pharmacy that is a participating provider; and

3 (2) in a quantity less than a thirty (30) day supply;

4 if the provider that prescribes the medication, or the pharmacist  
5 dispensing the medication, determines that dispensing the  
6 medication in the quantity described in subdivision (2) is needed to  
7 synchronize the enrollee's medications for chronic conditions.

8 (e) An individual contract or a group contract must provide  
9 coverage for a medication that is dispensed in a quantity less than  
10 a thirty (30) day supply in accordance with a plan made among the  
11 enrollee, the prescribing provider, and the pharmacy to  
12 synchronize the enrollee's medications for chronic conditions.

13 (f) An individual contract or a group contract must provide  
14 coverage for dispensing fees that is:

15 (1) not prorated based on the quantity of a medication  
16 dispensed; and

17 (2) based on the total number of prescriptions dispensed;  
18 in a particular transaction.

